GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

STARRED QUESTION NO:476
ANSWERED ON:28.04.2005
KELKAR COMMITTEE REPORT ON DEFENCE PURCHASES
Adhalrao Patil Shri Shivaji;Nikhil Kumar Shri

Will the Minister of DEFENCE be pleased to state:

(a) whether Kelkar Committee on defence purchases has submitted its report to the Government;

(b) if so, the details of recommendations made by the Committee;

(c) the extent to which the Government has accepted the recommendations of the Committee; and

(d) the steps being taken to implement the recommendations?

Answer

MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 476 FOR 28.4.2005

Part-I of the Report of the Kelkar Committee on review of Defence Procurement Procedure to integrate Users, Ministry of Defence and the Industry has been submitted to the Government on 5.4.2005.

The recommendations of the Committee revolve around:

(i) Preparation of a 15-year long term plan forming the basis for acquisition programme;

(ii) Information sharing of requirement of Armed Forces with the Industry;

(iii) Identification of entry points for the private sector in the acquisition process;

(iv) Accreditation and fostering of Raksha Udyog Ratna (RUR)/Champion;

(v) Policy framework to promote participation of Small and Medium Enterprises (SMEs) in defence production;

(vi) New institutional architecture for defence acquisition;

(vii) Defence R&D opportunities both with DRDO and Industry;

(viii) Promote transparency in decision making;

(ix) Optimum utilization of existing capacity;

(x) RFP to include an Offset clause for contracts valued at Rs. 300 crores and above; and

(xi) Re-examine the concept of Negative List for Defence exports and setting up of Export Marketing Organisation.

The recommendations made by the Committee are under consideration of the Government.